

Tronox Ltd
Form 8-K
June 20, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 15, 2012

TRONOX LIMITED

(ACN 153 348 111)

(Exact name of registrant as specified in its charter)

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(State or other jurisdiction
of incorporation)

(Commission

(IRS Employer

File Number)
One Stamford Plaza

Identification No.)

263 Tresser Boulevard, Suite 1100

Stamford, Connecticut 06901

(Address of principal executive offices, including Zip Code)

(203) 705-3800

(Registrant's telephone number, including area code)

3301 N.W. 150th Street

Oklahoma City, Oklahoma 73134

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.***Shareholder s Deed***

In connection with completion of Tronox Limited s acquisition of Exxaro Resources Limited s mineral sands business (the Transaction), Tronox Limited and Exxaro Resources Limited (Exxaro) entered into a Shareholder s Deed (the Shareholder s Deed). The Shareholder s Deed will govern the actions of Exxaro, Exxaro International BV, their subsidiaries and affiliates, and permitted transferees as holders of Class B Ordinary Shares of Tronox Limited (the Class B Shares). Following completion of the Transaction, Exxaro and Exxaro International BV collectively own 100% of the Class B Shares, representing approximately 38.5% of the voting securities of Tronox Limited and holders of Tronox Incorporated common stock immediately prior to completion of the Transaction collectively own 100% of the Class A Ordinary Shares of Tronox Limited (the Class A Shares), representing approximately 61.5% of the voting securities of Tronox Limited. Exxaro will retain a 26.0% ownership interest in the South African operations of the acquired mineral sands business, which consists of Exxaro Sands Proprietary Limited (Exxaro Sands) and Exxaro TSA Sands Proprietary Limited (Exxaro TSA Sands), in order to comply with ownership requirements of Black Economic Empowerment (BEE) legislation in South Africa. The retained ownership interest in the South African operations may be exchanged for Class B Shares under certain circumstances (see disclosure under the heading Put/Call Option below), resulting in Exxaro owning approximately 41.7% of the voting securities of Tronox Limited after such exchange (based on the total number of issued voting shares immediately after completion of the Transaction and assuming no subsequent issuances of new Tronox Limited shares).

The following is a summary of certain provisions of the Shareholder s Deed. This summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Shareholder s Deed, which is included as an exhibit this Current Report on Form 8-K.

Exxaro s Standstill Obligations

Under the Shareholder s Deed, the holders of Class B Shares have agreed, for a period of three years beginning on the date of the Shareholder s Deed (the Standstill Period), not to, and to cause their affiliates not to, with certain exceptions, (i) acquire beneficial ownership of shares in Tronox Limited if, after such acquisition, the holders of Class B Shares and their affiliates would have a voting interest in Tronox Limited of 45.0% or more, or (ii) publicly (or privately, if such private disclosure would reasonably be expected to require Tronox Limited to make a public disclosure) disclose any intention or plan to take actions which would result in the 45.0% voting interest threshold being reached or exceeded. In addition, during the Standstill Period, each holder of Class B Shares has agreed not to engage in any transaction or series of transactions that would result in a change of control of that holder of Class B Shares if, as a result of such transactions, a change of control of Tronox Limited would occur. The Shareholder s Deed provides that after the Standstill Period, each holder of Class B Shares will not, and will cause each of its affiliates not to, acquire beneficial ownership of shares in Tronox Limited if, following such acquisition the holder of Class B Shares and its affiliates will have a voting interest in Tronox Limited of 50.0% or more, unless the holder of Class B Shares complies with certain procedures, including bringing any proposal to equal or exceed the 50.0% limit to the board of directors of Tronox Limited on a confidential basis and negotiating in good faith with a special committee of the board of directors for a specified period. If, after the specified period, the holders of Class B Shares and the special committee do not reach agreement on the proposal, the holders of Class B Shares are permitted to make a takeover offer for all the shares held by shareholders not affiliated with the holder of the Class B Shares making the takeover offer, subject to a non-waivable condition that binding acceptances be received from a majority of the shares held by shareholders not affiliated with the holder of Class B Shares making the takeover offer.

Preemptive Rights

Other than for certain permitted issuances of Class A Shares and for so long as the holders of Class B Shares hold a voting interest in Tronox Limited of at least 7.5%, the Shareholder s Deed grants the holders of Class B Shares preemptive rights to subscribe for additional Class B Shares to maintain their relative voting interest in Tronox Limited should any additional Class A Shares be issued.

Transfer Restrictions

During the Standstill Period and subject to certain exceptions, the holders of Class B Shares agree not to transfer any shares in Tronox Limited unless such transfer is (i) to a controlled affiliate, nominee or broker, (ii) for at least 20.0% of the voting interest in Tronox Limited and is approved by the directors of Tronox Limited nominated by Class A Shareholders, or (iii) a pledge of the shares to a permitted financial institution to secure bona fide borrowings from such person. A transfer of Class B Shares following the Standstill Period will be exempt from the restrictions on acquisitions of voting interests of 20.0% or more in the Constitution if the transferee signs a deed of

accession to the Shareholder's Deed, no person's voting power (as defined in the Shareholder's Deed) in Tronox Limited would be equal to or greater than 50.0% as a result of the transfer and the transfer has been approved by a resolution passed by a majority of votes attached to all Class A Shares and Class B Shares, other than shares held by the transferor, transferee or an associate of either.

Put/Call Option

Under the Shareholder's Deed, at any time after the Empowerment Period (as that term is defined in the South African Shareholders' Agreement, which is described below) and subject to certain restrictions and exceptions (including additional restrictions on the exercise of the put option during the Standstill Period if it would result in Exxaro acquiring a voting interest of 45.0% or more in Tronox Limited and after the Standstill Period if it would result in Exxaro acquiring a voting interest of 50.0% or more in Tronox Limited), Exxaro has an option to put all of its retained ownership interests in Exxaro Sands or Exxaro TSA Sands to Tronox Limited in exchange for issue of new Class B Shares, and Tronox Limited holds a similar option to call such shares in the South African subsidiary. If the put option or call option is exercised, Exxaro will also have the right, subject to certain restrictions and exceptions, to subscribe for such number of Class B Shares equal to the number of Class B Shares that Exxaro could have subscribed for pursuant to its preemptive rights if it had owned the new Class B Shares issued as a result of the put option or call option since the completion of the Transaction.

Governance Matters

The Shareholder's Deed also addresses various governance matters, a number of which are also contained in the Constitution.

The Shareholder's Deed requires the board of directors of Tronox Limited be set at nine members, at least six of whom will be elected by holders of Class A Shares (one of whom must ordinarily reside in Australia), and prescribes that the number of directors elected by holders of Class B Shares will be between zero and three based on the total voting interest in Tronox Limited represented by issued Class B Shares. The number of directors from each class is determined as follows: (i) when the voting interest of the Class B Shares is at or above 30.0%, the board will consist of six Class A Directors and three Class B Directors; (ii) when the voting interest of the Class B Shares is at or above 20.0% (but less than 30.0%), the board will consist of seven Class A Directors and two Class B Directors; (iii) when the voting interest of the Class B Shares is at or above 10.0% (but less than 20.0%), the board will consist of eight Class A Directors and one Class B Director; and (iv) when the voting interest of the Class B Shares is less than 10.0%, the board of directors will consist of Class A Directors only. Class B Directors will serve on committees of the board (other than the Special Committee or Nominating Committee) proportionally to their representation on the board of directors.

The Shareholder's Deed also requires a supermajority of the board (being the affirmative vote of any six directors) to approve certain extraordinary matters, including the election or termination of the Chairman of the Board or Chief Executive Officer of Tronox Limited, certain delegations of board powers to a committee, any proposed amendment to the Constitution (other than technical amendments that do not involve any material change), the decision to pay dividends, the decision to adopt a dividend reinvestment plan, the settlement of certain environmental claims, the issuance of certain voting shares or securities convertible into voting shares in Tronox Limited where the amount to be issued when combined with any other issues in the preceding twelve months would exceed 12.0% of Tronox Limited's then-issued voting shares, entering into certain material acquisitions, dispositions, obligations or agreements, and entering into a new business area.

Other Rights

For as long as the Class B voting interest is at least 7.5%, Tronox Limited may not adopt, approve or recommend to its shareholders a dividend reinvestment plan (or any plan with similar effect) without prior written approval from the holders of Class B Shares. Any proposed candidate to replace Tronox Limited's chief executive officer requires prior approval (not to be unreasonably withheld or delayed) from the holders of Class B Shares.

Pursuant to the Shareholder's Deed, beginning on the third anniversary of completion of the Transaction, subject to certain exceptions, the holders of Class B Shares will have the right to require Tronox Limited to register

for public resale some or all of the Class A Shares deliverable upon conversion of the Class B Shares. Holders of Class B Shares will have the right to demand up to three such registrations. In addition, subject to the transfer restrictions described above, holders of Class B Shares will be granted piggyback rights on any registration by Tronox Limited, subject to customary restrictions and pro rata reductions in the number of shares to be sold in an offering. Tronox Limited would be responsible for the expenses of any such registration. Registration of such shares under the Securities Act would, except for shares purchased by affiliates, result in such shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of such registration.

In addition, under the Shareholder s Deed, the Class B Shares hold certain matching rights and other rights.

Termination

The Shareholder s Deed will terminate on the earliest of the date on which (i) Tronox Limited and the holders of Class B Shares (who are or have become a party to the Deed) agree in writing to the termination, (ii) the number of voting shares beneficially owned by holders of Class B Shares (who are or have become a party to the Deed) represents less than 5.0% of Tronox Limited s total issued voting shares, and (iii) a holder of Class B Shares (who is or has become a party to the Deed) (x) pays the consideration to Tronox Limited shareholders in respect of a Unilateral Takeover Offer (as defined in the Shareholder s Deed) made by it for all of the voting shares in Tronox Limited or (y) acquires under an Acquisition Proposal (as defined in the Shareholder s Deed) voting shares representing at least 50.0% of the voting shares in Tronox Limited held by non-affiliated shareholders and, in the case of each of (x) and (y), where such transaction has occurred in compliance with the Shareholder s Deed.

South Africa Shareholders Agreement

In connection with completion of the Transaction, on June 15, 2012, Tronox Limited, Tronox Sands Holdings Pty Limited (Tronox Sands), Exxaro, Exxaro Sands and Exxaro TSA Sands entered into a Shareholders Agreement, which will regulate the relationship and rights of Tronox Limited and Exxaro with respect to Exxaro Sands and Exxaro TSA Sands (the South African Shareholders Agreement). Following completion of the Transaction, Exxaro owns 26.0%, and Tronox Limited owns 74.0%, of the entire issued share capital of each of Exxaro Sands and Exxaro TSA Sands (together the South African Acquired Companies).

The following is a summary of certain provisions of the South African Shareholders Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the full text of the South African Shareholders Agreement, which is included as an exhibit to this Current Report on Form 8-K.

The South African Shareholders Agreement provides that the board of each South African Acquired Company will have a maximum of five directors. Exxaro will be entitled to nominate a certain number of directors depending on its current shareholding as follows: (i) when Exxaro holds 10.0% or more but less than 26.0% of the issued share capital of a South African Acquired Company, it will be entitled to nominate one non-executive director to the board of such South African Acquired Company, and (ii) when Exxaro holds 26.0% or more but less than 40.0% of the issued share capital of a South African Acquired Company, it will be entitled to nominate two non-executive directors to the board of such South African Acquired Company, one of whom must be a historically disadvantaged South African. Tronox Sands will be entitled to nominate the remaining members of each respective board. If Exxaro holds more than 40.0% but less than a majority of the issued share capital of a South African Acquired Company, Exxaro and Tronox Sands will meet and agree upon how to reconstitute the board of that company.

For a period of either ten years following completion of the Transaction, or an earlier date if confirmed by the South Africa Department of Mineral Resources (the DMR) in writing as being the date from which ownership requirements are no longer relevant to the South African Acquired Companies and their subsidiaries and to the business and assets of each respective South African Acquired Company and its subsidiaries (Empowerment Period), (i) with certain limited exceptions, Exxaro agrees not to dispose of or encumber its shares or rights or interest in any South African Acquired Company, or enter into any option, derivative or other transaction, unless it does so to or in favor of an historically disadvantaged South African, and (ii) if a South African

Acquired Company ceases to qualify as an historically disadvantaged South African or ceases to comply with the BEE requirements under South African mining law, the parties will take certain prescribed remedial steps as described below. Where this occurs as a result of a change in law, these remedial steps include Tronox Sands and Exxaro jointly determining how best to remedy the position. Where this occurs for a different reason, these steps include Exxaro attempting to agree a remedial period with the DMR (BEE Grace Period), Exxaro preparing and submitting to Tronox Sands and the DMR a remedial plan setting out what steps need to be taken to remedy the position, and the parties then implementing such remedial plan once approved. If the DMR agrees to a BEE Grace Period during which the parties can rectify the position, in order to comply with the BEE requirements under South African mining law again, then Exxaro will be entitled to utilize three quarters of any such time period permitted by the DMR and to the extent that it has been unsuccessful during that period, Tronox Sands will have the balance available to it to facilitate compliance for and on behalf of the respective South African Acquired Company that fails to comply with the necessary BEE requirements under South African mining law. In the event that the DMR either does not agree to a remedial period or the attempted remedial action fails, the shares held by Exxaro will be warehoused in a trust for onward disposal to a suitably qualified historically disadvantaged South African approved by Tronox Sands. In the event that a remedial plan is agreed but then not implemented, Tronox Sands will be entitled to sell Exxaro's shares in the affected South African Acquired Company to a suitably qualified historical disadvantaged South African approved by Tronox Sands.

The South African Shareholders' Agreement provides Exxaro and Tronox Sands with certain pre-emptive rights relating to the issuance of equity by a South African Acquired Company and in relation to a disposal by the other of its shares in a South African Acquired Company.

Funding for the operations of the South African Acquired Companies will be procured, in the first instance, from third party financiers on an arm's-length basis or, if not possible, from Tronox Sands on an arm's-length basis. Tronox Sands is entitled to capitalize its loan funding so made available at any time after the Empowerment Period, or during the Empowerment Period if it will not negatively impact the empowerment status of the South African Acquired Company.

Each South African Acquired Company will, as soon as possible after the end of its financial year, declare and pay dividends to its shareholders. In order to comply with South African BEE requirements, these dividends will be such that Exxaro will receive a minimum "trickle dividend" of at least R260,000 (\$32,138) per year, subject to certain limitations in our South African financing agreements.

Drag-along and tag-along rights apply in favor of Exxaro in the event that Tronox Sands makes an offer of its entire shareholding in a South African Acquired Company and, in either instance, Exxaro may at that time either purchase the shares held by Tronox Sands or may exercise the Put Option granted to it in the Shareholders' Deed.

A shareholder is deemed to have offered its shares in the event that it (i) becomes subject to any provisional or final order for its sequestration, curatorship, liquidation, winding up, judicial management, business rescue or is made subject to any similar or equivalent disability in any other relevant jurisdiction or is deregistered (unless as a result of a bona fide corporate restructure), (ii) a shareholder compromises or offers to compromise with its creditors, or (iii) a shareholder breaches a material term of the South African Shareholders' Agreement which is not capable of being remedied. The purchase price of the shares will be the fair value thereof.

In addition to the above provisions, the South African Shareholders' Agreement contains a number of provisions which are typically found in an agreement of this nature, including confidentiality undertakings. Under the agreement, all disputes are to be resolved through arbitration, to be administered in South Africa through the rules of the Arbitration Foundation of South Africa.

Transition Services Agreement

In connection with completion of the Transaction, on June 15, 2012, Exxaro, Tronox Limited, Exxaro Sands and Exxaro TSA Sands entered into a Transition Services Agreement (the "Transition Services Agreement"). The following is a summary of the material provisions of the Transition Services Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Transition Services Agreement, which is included as an exhibit to this Current Report on Form 8-K.

The Transition Services Agreement provides that, following completion of the Transaction, Exxaro or its affiliates will provide Tronox Limited, Exxaro Sands and Exxaro TSA Sands with support services on an arm's-length and independent contractor basis, including services relating to human resources, finance, supply chain management, safety, health, environment and community services, information management, technology, corporate affairs, service management, and other cross functional services. Exxaro will provide the services for a period of one to three years or longer, depending upon how long Tronox Limited requires the services. Exxaro or its affiliates will perform the services exercising at least the same degree of care, at the same general level and at the same general degree of accuracy and responsiveness, as it exercises in performing similar services for its own account.

In order to facilitate the proper and effective implementation of the Transition Services Agreement, each party will nominate a representative to act as the primary contact person for the provision of all the services. The parties will also establish a joint steering committee to provide oversight for the provision of services under the agreement. All intellectual property of Exxaro required to properly implement the services will remain the property of Exxaro but will be licensed to Tronox Limited on a perpetual, royalty-free basis to the extent it relates to any work product developed or generated in the course of Exxaro's provision of services under the Transition Services Agreement. Any intellectual property that is created during the term of the Transition Services Agreement for and on behalf of Tronox Limited by Exxaro or its affiliates will vest with Tronox Limited. In consideration of each service provided during the term of the Transition Services Agreement, Tronox Limited will pay Exxaro, on a monthly basis, an amount equal to the service costs attributable to the services actually provided by Exxaro or its affiliates to Tronox Limited. The Transition Services Agreement contains standard provisions relating to cooperation and dispute resolution, audit rights, cross-indemnity obligations, and confidentiality undertakings. Tronox Limited may terminate the Transition Services Agreement with notice to Exxaro, and the parties may agree to extend the agreement.

General Services Agreement

On June 15, 2012, Tronox Limited, Exxaro, Exxaro TSA Sands and Exxaro Sands entered into a general services agreement (the "General Services Agreement") requiring Exxaro to provide certain metallurgical services to certain subsidiaries of Tronox Limited for a period of three years following the completion of the Transaction exercising the same degree of care, at the same general level and at the same general degree of accuracy and responsiveness, in each case as it exercises in performing the same or similar services for its own account, with priority equal to that provided to its own businesses and subsidiaries where the services being provided are material to the Exxaro business.

Project Services Agreement

On June 15, 2012, Tronox Limited and Exxaro entered into a template project services agreement (the "Template Project Services Agreement"), which will be used to govern certain services Exxaro will continue to provide to Tronox Limited following completion of the Transaction, including The Fairbreeze Project, which is to provide ilmenite feed for the smelter operation located at KZN Sands central processing plant at Empangeni, producing titanium slag; and the co-generation of power at the Namakwa Sands operation, in terms of which furnace off-gas is combusted to produce electrical power; and any additional project the Parties agree from time to time as being subject to the template form of Agreement. Under the Template Project Services Agreement, Exxaro is required to perform services by exercising the same degree of care, at the same general level and at the same general degree of accuracy and responsiveness, as it exercises in performing the same or similar services for its own account, with priority equal to that provided to its own businesses where the services being provided are material to the Exxaro business.

New Warrant Agreement

On June 15, 2012, Tronox Limited, Tronox Incorporated, and Computershare, Inc., entered into an Amended and Restated Warrant Agreement, pursuant to which the holders of Equity Interests (as defined in the New Warrant Agreement) are entitled to purchase one Class A Share and \$12.50 in cash (the "Warrant Consideration") at the initial exercise prices of \$62.13 for each Series A Warrant and \$68.56 for each Series B Warrant. As of June 14, 2012 there were 841,302 Warrants outstanding which will each be exercisable for a Class A Share and \$12.50 in cash. The Warrants have a seven-year term from the date initially issued and will expire at 5:00 p.m., New York City time, on February 14, 2018. A holder may exercise the Warrants by paying the applicable exercise price in cash or on a cashless basis. The Warrants are freely transferable by the holder thereof.

UBS Revolver

On June 18, 2012, Tronox Incorporated and certain of its subsidiaries ("Tronox US") and Tronox Limited and certain of its subsidiaries ("Tronox Australian") and, together with Tronox US, the "Tronox Loan Parties") entered into a global senior secured asset-based revolving syndicated credit agreement with UBS AG, Stamford branch and certain of its affiliates (the "UBS Revolver") with a maturity date of the fifth anniversary of the closing date. The UBS Revolver provides the Tronox Loan Parties and certain of their affiliates with a committed source of capital with a principal borrowing amount of up to \$300.0 million, subject to a borrowing base, and also permits an expansion of up to \$200.0 million. The borrowing base is related to certain eligible inventory and accounts receivable owned by the Tronox Loan Parties. As of closing date, the borrowing base was in excess of \$285.0 million.

Obligations under the UBS Revolver are secured by a first priority lien on substantially all of the Tronox Loan Parties' existing and future deposit accounts, inventory and receivables and certain related assets, and a second priority lien on all of the Tronox Loan Parties' other assets, including capital stock which serve as security under the Term Facility (defined below).

The agent under the UBS Revolver and the agent under the Term Facility entered into an intercreditor agreement governing certain rights as between such parties.

The UBS Revolver bears interest at Tronox Limited's option at either (i) the alternate base rate (defined to mean a rate that is the greatest of (a) the administrative agent's prime rate, (b) the Federal funds effective rate plus 0.50% and (c) the adjusted LIBOR rate for a one-month period plus 1.00%) or the adjusted LIBOR rate, in each case plus the applicable margin. The applicable margin ranges from 1.50% to 2.00% for borrowings at the adjusted LIBOR rate, and from 0.50% to 1.00% for borrowings at the alternate base rate, based upon the average daily borrowing availability. For the first six months following the closing date, the applicable margins shall be deemed to be 1.75% for borrowings at the adjusted LIBOR rate and 0.75% for borrowings at the alternate base rate.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On June 15, 2012, Tronox Limited completed its previously announced acquisition of the mineral sands business of Exxaro. Under the terms of the Transaction Agreement, Exxaro received Class B Shares of Tronox Limited, representing approximately 38.5% of the voting securities of Tronox Limited. Former stockholders of Tronox Incorporated received one Class A Share and \$12.50 in cash for each share of Tronox Incorporated common stock owned by them immediately prior to the Transaction. The Class A Shares represent approximately 61.5% of the voting securities of Tronox Limited. The rights of holders of Class A Shares and Class B Shares are subject to Australian law and the Constitution of Tronox Limited, which is attached hereto as Exhibit 3.1.

A copy of the press release of Tronox Limited announcing completion of the Transaction is attached hereto as Exhibit 99.1 and incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

As previously disclosed, on February 8, 2012, Tronox Incorporated entered into a new facility with Goldman Sachs Lending Partners comprised of a \$550.0 million Senior Secured Term Loan and a \$150.0 million Senior Secured Delayed Draw Term Loan (together, the "Term Facility"). The Term Facility expressly permitted the Transaction and, together with existing cash, was expected to fund the cash needs of the combined business, including any cash needs arising from the Transaction.

On June 14, 2012, Tronox Incorporated exercised its right to borrow the Senior Secured Delayed Draw Term Loan and consequently borrowed an additional \$150.0 million subject to the terms of the Term Facility.

Item 3.03 Material Modification to Rights of Security Holders.

The disclosure under Item 1.01 of this Current Report on Form 8-K relating to the Shareholder's Deed is incorporated herein by reference. In addition, the disclosure under item 2.01 of this Current Report on Form 8-K relating to the Constitution of Tronox Limited, attached hereto as Exhibit 3.1, is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of businesses acquired

The financial statements required to be included in this Current Report on Form 8-K with respect to Exxaro Mineral Sands appear immediately following the exhibit index to this Current Report on Form 8-K beginning on page F-1.

(b) Pro forma financial information

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Tronox Incorporated and Exxaro have entered into the Transaction Agreement, under which Exxaro Mineral Sands will be combined with the existing businesses of Tronox Incorporated under Tronox Limited, a new Australian holding company. The Transaction will join the world's fifth largest producer and marketer of TiO₂ with the world's third largest titanium feedstock supplier, providing Tronox Limited with a strategic competitive advantage in retaining existing customers and expanding its customer base. For a further detailed discussion of the terms of the Transaction, see "The Transaction."

Tronox Limited's unaudited pro forma condensed combined statement of operations for the three month period ended March 31, 2012, and the year ended December 31, 2011, are presented as if the Transaction had been completed on January 1, 2011. The unaudited pro forma condensed combined balance sheet as of March 31, 2012, is presented as if the Transaction had been completed on March 31, 2012. The unaudited pro forma condensed Combined Financial Statements presented below are derived from the historical Consolidated Financial Statements of Tronox Incorporated and historical combined financial information of Exxaro Mineral Sands. The historical Consolidated Financial Statements of Tronox Incorporated are presented in U.S. dollars and have been prepared in accordance with GAAP. The historical Combined Financial Statements of Exxaro Mineral Sands are presented in South African Rand and have been prepared in accordance with IFRS.

As described in the accompanying notes, the unaudited pro forma condensed Combined Financial Statements have been prepared using the acquisition method of accounting under GAAP and the regulations of the SEC. GAAP requires that one of the companies in the Transaction be designated as the accounting acquirer for the purposes of applying the acquisition method of accounting under ASC 805, Business Combinations. Tronox Incorporated is the accounting acquirer.

The historical financial statements have been adjusted in the unaudited pro forma condensed Combined Financial Statements to give effect to pro forma events that are (i) directly attributable to the Transaction; (ii) factually supportable; and (iii) with respect to the unaudited pro forma condensed combined statements of operations, expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined statements of operations exclude non-recurring items, that are directly related to the Transaction, including, but not limited to (i) a bargain purchase gain currently estimated to be realized on the Transaction; (ii) reorganization income associated with the emergence from bankruptcy; and (iii) Transaction related legal and advisory fees. Additionally, certain pro forma adjustments have been made to the historical Combined Financial Statements of Exxaro Mineral Sands in order to (i) convert them to GAAP; (ii) conform their accounting and presentation policies to those applied by Tronox Incorporated; and (iii) present them in U.S. dollars. All material transactions between Tronox Incorporated and Exxaro Mineral Sands have been eliminated.

Because the acquisition method of accounting is dependent upon certain valuations and other studies that must be prepared as of the completion date of the Transaction and because there are limitations on the type of information that can be exchanged between Tronox Incorporated and Exxaro at this time, there currently is not sufficient information for a definitive measurement; therefore, the unaudited pro forma condensed Combined Financial Statements are preliminary. Until the Transaction is complete, Tronox Incorporated will not have complete access to all relevant information. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the accompanying unaudited pro forma condensed Combined Financial Statements and the combined future results of operations and financial position.

The unaudited pro forma condensed Combined Financial Statements do not include any realization of cost savings from operating efficiencies, revenue synergies or restructuring costs expected to result from the Transaction and should be read in conjunction with the historical Consolidated Financial Statements of Tronox Incorporated and the separate historical Combined Financial Statements of Exxaro Mineral Sands that are included elsewhere within this prospectus.

The unaudited pro forma Combined Financial Statements are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations or the consolidated financial position of Tronox Limited would have been had the Transaction occurred on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or consolidated financial position.

UNAUDITED PRO FORMA CONDENSED COMBINED

BALANCE SHEET

AS OF MARCH 31, 2012

	Tronox Incorporated	Exxaro Mineral Sands (See footnote 5)	Pro Forma Adjustments	Note (See footnote 6)	Tronox Limited Pro Forma Combined
(Amounts in millions, except share and per share data)					
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 222.7	\$ 200.8	\$ (197.5)	(a)	\$ 258.6
			\$ 150.0	(b)	
			\$ (117.4)	(h)	
Accounts receivable:					
Third party, net	348.4	106.9			455.3
Related party	1.7	72.6	(74.3)	(c)	
Inventories	404.4	339.5	302.1	(d)	1,033.0
			(13.0)	(c)	
Prepaid and other assets	18.0	0.2			18.2
Deferred income taxes	4.3				4.3
Total Current Assets	999.5	720.0	49.9		1,769.4
Property, Plant and Equipment, Net	558.8	703.3	1,889.0	(d)	3,151.1
Intangible Assets, Net	307.4	16.3	(16.3)	(h)	307.4
Loans with Related Parties		1,464.2	(1,464.2)	(h)	
Deferred Income Taxes		105.6	(105.6)	(h)	
Other Long-Term Assets	37.3	23.9	(2.4)	(h)	58.8
Total Non-Current Assets	903.5	2,313.3	300.5		3,517.3
Total Assets	\$ 1,903.0	\$ 3,033.3	\$ 350.4		\$ 5,286.7
LIABILITIES AND STOCKHOLDERS EQUITY					
Current Liabilities					
Accounts payable:					
Third party	\$ 134.3	\$ 77.3	\$		\$ 211.6
Related party	72.6	1.7	(74.3)	(c)	
Accrued liabilities	41.5	1.2			42.7
Amounts due to related parties					
Short-term debt		86.5	(86.5)	(h)	
Long-term debt due within one year	4.4		1.5	(b)	5.9
Income taxes payable	42.6				42.6
Deferred income taxes			10.2	(e)	10.2
Total Current Liabilities	295.4	166.7	(149.1)		313.0
Long-term debt	551.9	268.2	(184.8)	(h)	783.8
			148.5	(b)	
Pension and postretirement benefits	142.2				142.2
Deferred income taxes	18.4	34.0	(34.0)	(h)	172.9
			154.5	(e)	
Loans with Related Parties		1,717.5	(1,717.5)	(h)	
Other non-current liabilities	47.1	63.4	111.9	(d)	222.4

Total Non-Current Liabilities	759.6	2,083.1
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